



**MICHAEL J. MURPHY**  
State Treasurer

State of Washington  
Office of the Treasurer

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## **Washington state earns savings from bond refinancing**

**OLYMPIA** — A bond refunding (refinancing) sale today allowed the Office of the State Treasurer to take advantage of current low interest rates to gross more than \$52 million in savings over the original cost of financing the bonds.

The refunding of issues from 1995-1997 and 2000 yielded an overall savings of more than 9 percent, or nearly \$40 million in net present value. The sale drew five bidders for each of two refunding issues.

“We would be remiss if we didn’t take advantage of the current interest rate environment to save money for the taxpayers of the state,” State Treasurer Michael J. Murphy said. “That’s our job – if we can do it, we will.”

The State Finance Committee this morning awarded bids to Merrill Lynch & Co. and Citigroup Global Markets Inc. for separate refunding issues of \$348.03 million and \$91.07 million, respectively.

Merrill Lynch won the bidding for \$348.03 million in various purpose general obligation bonds (R-2005A), offering a true interest cost (TIC) bid of 4.2115893 percent. Also bidding were Lehman Brothers (4.2169979 percent), Goldman Sachs & Co. (4.2170414), Bear, Stearns & Co. (4.2181208) and Citigroup (4.2184349).

Citigroup was the successful bidder for \$91.7 million in motor vehicle fuel tax bonds (R-2005B) with a TIC bid of 4.10886627 percent. Also competing were Bear, Stearns (4.1581150 percent), Leman Brothers (4.1651168), Goldman, Sachs (4.1721523) and Merrill Lynch (4.1737152). ]

Treasurer Murphy is chairman of the State Finance Committee and serves on the committee along with Gov. Christine Gregoire and Lt. Gov. Brad Owen.

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